GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1606
ANSWERED ON:01.12.2006
MONOPOLY OF PRIVATE DISTRIBUTION COMPANIES
Agarwal Shri Dhirendra

Will the Minister of POWER be pleased to state:

(a)Whether the Government has, by law, given monopoly to the private power distribution companies to detect power theft and to recover penalty from the offenders;

(b) If so, the reaction of the Government thereto ;

(c) Whether there is no law to bar these companies from sending bills of lakhs of rupees inflated or as penalty;

(d) If so, the views of the Government thereto; and

(e) The steps taken by the Government to do a way with the said monopoly?

Answer

THE MINISTER OF THE STATE IN THE MINISTERY OF POWER(SHRI SUSHILKUMAR SHINDE)

(a) & (b) : The provisions of the Electricity Act, 2003 apply to all distribution licensees and do not distinguish between companies on the basis of ownership.

An assessing officer can make assessment of the charges payable by any person found to be indulging in unauthorized use of electricity. The assessing officer is an officer of a State Government or Board, or licensee designated as such by the State Government. Any person aggrieved by the order of assessment, can make an appeal to the Appellate Authority designated by the appropriate Government.

Theft of electricity is a cognizable offence under the Act, which provides for taking cognizance of the offences and also for determination of civil liability by the competent Court. Only an officer authorized by the State Government is empowered to carry out inspection, entry, search and seizure etc. in the case of theft of electricity.

(c) to (e) : Under the provisions of the Electricity Act, 2003, distribution of electricity is a licensed activity and is regulated by the State Electricity Regulatory Commission

(SERC). The Act requires all consumers to be metered and also mandates supply of electricity through a correct meter. The SERC is required to specify an Electricity Supply Code, inter-alia, to provide for recovery of electricity charges and intervals for billing of electricity charges. The distribution licensee can recover price of electricity from the consumers in accordance with the tariff determined by the SERC.

The Act further provides for establishment of forum for redressal of consumer grievances by the distribution licensee and appointment of an authority known as Ombudsman by the State Commission took consider representations for non-redressal of the grievances.